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OPEN SESSION
NOTICE OF VIRTUAL BOARD MEETING
JOSEPH M. BRESS, CHAIR
THURSDAY, JANUARY 19, 2023
1:00 P.M.

<u>WebEx Meeting</u>	<u>Telephone:</u> 650-479-3208	<u>Conference Access Code:</u> 2305 858 1037	<u>Meeting Password:</u> S9Dk4jKp3W3
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AGENDA

1:00 PM	OPEN SESSION -- CALL TO ORDER AND ROLL CALL	
1:05 PM	APPROVAL OF BOARD MEETING MINUTES -- ACTION ITEM	TAB 2
	➤ APPROVAL OF OPEN SESSION MEETING MINUTES FOR DECEMBER 15, 2022	
	CHAIR'S COMMENTS	TAB 3
	EXECUTIVE DIRECTOR'S REPORT	TAB 4
	LEGAL DEPARTMENT REPORT	TAB 5
1:15PM	INVESTMENT COMMITTEE REPORT	TAB 6
	OPERATIONS COMMITTEE REPORT	TAB 7
	AUDIT COMMITTEE REPORT- ACTION ITEM	TAB 8
	BENEFITS COMMITTEE REPORT	TAB 9
	LEGISLATIVE COMMITTEE REPORT	TAB 10
2:30 PM	OTHER BUSINESS- EXECUTIVE SESSION	TAB 11
	➤ MOTION: TO ENTER CLOSED SESSION TO DISCUSS PERSONNEL MATTERS PURSUANT TO D.C. CODE § 1-909.05(E); SEE ALSO D.C. CODE § 2-575(B) (10)).	
3:00 PM	ADJOURNMENT	TAB 12

“This meeting is governed by the Open Meetings Act. Please address any questions or complaints arising under this meeting to the Office of Open Government at opengovoffice@dc.gov.”



**DISTRICT OF COLUMBIA RETIREMENT BOARD (DCRB)
DRAFT* OPEN BOARD MEETING MINUTES
THURSDAY, December 15, 2022
1:00 P.M. via WebEx**

***These draft minutes must be approved by the Board at its next Open Board meeting.
Full meeting minutes will be posted after the next Open Board meeting.**

MEMBERS PRESENT

Joseph M. Bress, Chair
Lyle M. Blanchard @1:03 p.m.
Joseph W. Clark
Mary A. Collins
Christopher Finelli
Geoffrey P. Grambo
Danny C. Gregg
Nathan A. Saunders
Greggory Pemberton
Adam Weers
Carmen Pigler, ex officio

MEMBERS NOT PRESENT

DCRB STAFF PRESENT

Gianpiero "JP" Balestrieri, Executive Director
Betty Ann Kane
Ram Murthy
Munetsi Musara
Patrick Sahn
Daniel Hernandez
Vernon Valentine
Jaininne Edwards
Leslie King
Lori Morgan
Johniece Harris, Board Liaison

OTHERS PRESENT

Ann Stunner, Bolton
Tom Vicente, Bolton
Colin Slovenkay, Bolton
Gar Chung, Financial News
Kevin Balaod, Public

ROLL CALL

Chair Joseph Bress called the meeting to order at 1:02 p.m. and Ms. Johniece Harris called the roll.

APPROVAL OF MINUTES

Chair Joseph Bress introduced a motion to approve the open session Board meeting minutes.

Motion #1: To approve the November 17, 2022, open session Board meeting minutes.

The motion was moved by Chair Bress and properly seconded.
The motion was approved (10-0) with 1 abstention. *(See Tally #1)*

Tally #1			Date: December 15, 2022		
Motion #1: To approve the November 17, 2022, open session Board meeting minutes.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle M.	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Finelli, Christopher	√				
Grambo, Geoffrey P.	√				
Gregg, Danny C.	√				
Harris, Tracy S.			√		
Pemberton, Gregory J.	√				
Saunders, Nathan A.	√				
Weers, Adam	√				

CHAIR REPORT

Chair Bress referred trustees to his written report and commented on the following topics:

- **In-Person Board Attendance:** The Board will continue to meet virtually until we reassess in person meetings. Those trustees who wish to attend Board meetings in person, please notify staff.
- **Market Updates:**
 - The Retirement Fund continues to perform well even in this volatile time. The economic forecast is still not clear. The inflation rate which was 9.1% in June fell to 7.7% in November and is now 7.1%. The Fed this week increased the rate by 0.5 basis points after four 0.75 basis point raises. The markets read that as an indicator that the inflation rate is not falling as fast as the Fed believes necessary. On the other hand, the markets are cautiously seeing a soft recession even though others still are in doubt about that. As the holiday season continues, retail prices have moderated as have other sectors of the economy, such as gas and utility costs.
 - If we exclude energy and food (a big exclusion), inflation is about 6%. While this may be good news as we go forward, we must continue to carefully follow our asset allocation plan and invest to continue our fund strength and assure our combined 100% actuarially full funding. In that regard, we have committed to continue our investment policy to include ESG. Some states' Attorneys General are considering lawsuits against private equity on the theory that, including ESG in their investment policies, is violative of their fiduciary responsibility. It is unfortunate that investment choices and policy considerations such as these are generating litigation from those who believe their choice are better. We should

continue our careful review of investments, including ESG as a consideration, and exercise our fiduciary responsibility wisely.

- **Trustee Elections**
 - The Board will certify the winner of the Active Police Officer Election. The four-year term will begin January 28, 2023 and end January 27, 2027.
- **Next Board Meeting**: The next meeting will be held on January 19, 2023.
- **Board Motions**: As a reminder, when voting on Board motions and resolutions, individual voice votes are required.
- **Member Complaints**: Trustees who receive any complaints or concerns from Retirement Plan members should forward those complaints to the Executive Director and the appropriate DCRB department head.

Motion #2: To certify Gregory Pemberton as the winner of the 2022 Active Police Officers uncontested election.

The motion was moved by Chair Bress and properly seconded by Trustee Clark.
The motion was approved (10-0) with 1 abstention. (See Tally #2)

Tally #2			Date: December 15, 2022		
Motion #2: To certify Gregory Pemberton as the winner of the 2022 Active Police Officers uncontested election.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle M.	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Finelli, Christopher	√				
Grambo, Geoffrey P.	√				
Gregg, Danny C.	√				
Harris, Tracy S.	√				
Pemberton, Gregory J.			√		
Saunders, Nathan A.	√				
Weers, Adam	√				

Trustees moved to next item on the agenda.

EXECUTIVE DIRECTOR REPORT

Executive Director, Gianpiero “JP” Balestrieri, gave an update on the following topics:

1. Staffing Update:

- a. **New Hires Since Last Board Meeting**
 - Internal Auditor
 - General Counsel and Senior Counsel
 - Director of Communications
- b. **Current Vacancies to Fill**

2. Fiscal Year 2023 Fund Performance and Investments Update:

- a. Total Market Value (as of 12/15/22) is at \$10.4 billion
- b. Funded Status as of 10/1/22: 109.9%
- c. Diverse Manager Exposure: \$1 billion
- d. Emerging Manager Exposure: \$0.7 billion
- e. Private Markets Commitment Budget for 2023: Meketa has developed a private markets commitment budget with the Investments team for 2023. This will be presented for the Trustees’ review and approval at the next IC meeting in January 2023.
- f. Investments Educational Workshop

3. Summer Internship Program: We are planning a summer internship program for two undergraduate students from local colleges/universities commencing with Investments Department.

4. Transaction Cost Analysis/Transition Management Consulting RFP:

DCRB has issued and posted an RFP for a consultant to help DCRB monitor the transaction and transition costs of public markets investment managers. The consultant will support the Board in three key areas:

- a. Benchmark the Board’s public market investment managers’ trading costs (equities, fixed income, FX) to ensure they are in line with market
- b. Assist the Team in the evaluation of prospective investment managers’ trading costs to identify potential issues before hiring
- c. Assist the Team in developing investment manager transition strategies as well as measuring and evaluating transition costs
- d.

Trustees moved to next item on the agenda.

LEGAL DEPARTMENT REPORT

Leslie King, Senior Counsel, referred trustees to her written report, which highlighted:

Board Governance:

A reminder of the District's Conflicts of Interest and Ethics rules during the holiday season.

Fiduciary – DOL ESG Rule:

The U.S. Department of Labor's (DOL) issuance of a final rule, "*Prudence and Loyalty in Selecting Plan Investments and Exercising Shareholder Rights*," clarifying that a fiduciary may consider environmental, social, and governance (ESG) factors in making investment decisions as long as the ESG factors considered are evaluated as risk-return factors in a prudent investment decision-making process while making it clear that fiduciaries cannot sacrifice investment return or take on additional investment risk to promote benefits unrelated to the interests of participants and beneficiaries

Benefits Litigation Update:

Annetta H. Nicholas v. US Treasury and DCRB (1:20-cv-02088-JEB)

The U.S. Court of Appeals for the D.C. Circuit cancelled the oral argument scheduled for December 2, 2022 on the appellant's appeal of the lower court's dismissal of her claim against DCRB and US Treasury for a voluntary retirement benefit. The Court stated that oral argument will not assist the court in its ruling and will issue a decision based on the record and appeal briefs.

Gerry O. Scott v. DCRB (2021 CA 004206B)

DCRB filed a Motion for Summary Judgement on November 1, 2022. The next status hearing is scheduled for December 9, 2022.

Trustees moved to next item on the agenda.

INVESTMENT COMMITTEE REPORT

Committee Chair Weers reported that the Investment Committee did not meet this month and there is no report.

The next Investment Committee Meeting is scheduled for Thursday, January 19, 2023.

Trustees moved to next item on the agenda.

OPERATIONS COMMITTEE REPORT

Committee Chair Saunders reported that the Operations Committee met earlier today for a presentation from Bolton, DCRB's Actuary, on their final Actuarial Valuations report.

The Operations Committee recommends the following motion to the Board:

Motion #3: To accept and approve Bolton Inc.'s Actuarial Valuations Report on the District of Columbia Teachers' Retirement Plan and the District of Columbia Police Officers and Firefighters' Retirement Plan as of October 1, 2022, for Fiscal Year ending 2024, presented to

the Board by Bolton on December 15, 2022, and incorporated herein by reference.

The motion was moved by Committee Chair Saunders and properly seconded by Trustee Gregg. The motion was approved (11-0). (See Tally #3)

Tally #3			Date: December 15, 2022		
Motion #3: To accept and approve Bolton Inc.’s Actuarial Valuations Report on the District of Columbia Teachers’ Retirement Plan and the District of Columbia Police Officers and Firefighters’ Retirement Plan as of October 1, 2022, for Fiscal Year ending 2024, presented to the Board by Bolton on December 15, 2022, and incorporated herein by reference.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle M.	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Finelli, Christopher	√				
Grambo, Geoffrey P.	√				
Gregg, Danny C.	√				
Harris, Tracy S.	√				
Pemberton, Gregory J.	√				
Saunders, Nathan A.	√				
Weers, Adam	√				

Trustees moved to next item on the agenda.

AUDIT COMMITTEE REPORT

Committee Chair Harris reported that the Audit Committee met December 14, 2022 and the following items were presented:

- Audit Update:
 - The audit is in the final stages, draft statements will be provided early next week for the auditors to review. No potential issues have been identified by the auditors and there are no concerns related to the timeline.
- The budget vs actual report as of November 30, 2022:
 - 88% of the original budget is available.
- The Schedule of payments to consultants for the years ended September 30, 2022 and 2021:
 - Total payments were \$7.7M in FY2022 compared to \$6.1M in FY2021.
 - Additional detail related to IT software and consulting services and investment consulting services was requested by the Trustees for the next meeting.

There were no action items presented in this meeting.

The next Audit Committee meeting will be held on January 17, 2023.

Trustees moved to next item on the agenda.

BENEFITS COMMITTEE REPORT

Committee Chair Collins reported that the Benefits Committee did not meet this month but will be scheduling a meeting in January. Below are highlights of activities since November.

Healthcare Open Enrollment:

Healthcare Open Enrollment Season ended December 12, 2022. DCRB deployed several communications mediums to educate our constituents about the open enrollment process. In addition, we mailed the open enrollment announcements to participant homes, leveraged the DCRB website to provide participants with additional information about open enrollment, and we produced videos that provided members with instructions on how to complete the open enrollment process. DCRB received 101 federal enrollment changes and 62 changes for the District health plans.

Office of DC Pension Meeting (ODCP):

On November 30, 2022, the Pension Administrator and Deputy Chief Benefits Officer met with ODCP to discuss priorities and projects for the coming year. Among the topics discussed during the meeting were:

- Modifications to STAR to enable DCRB to systematize crediting service for workers' compensation leave and assigning the appropriate reductions to the DC Employees Life Insurance values.
- Reengineering the retirement process for DCPS to eliminate the need for the outdated DCPS 7 card. The new process would record periods of leave without pay as well as the final average salary and should assist DCPS in sending final data to DCRB more efficiently; and
- Enhancements to the self-service portal to provide annuitants with additional functionality.

New Collective Bargaining Agreements:

There are collective bargaining agreements pending that will require staff to recalculate annuities for members who retired during the covered contract periods. The agreements for MPD, FEMS, the Council of School Officers and the Washington Teachers Union (WTU) have all been renegotiated and are in various stages of approval.

Implementing retroactive COLAs requires coordination among three agencies: the Office of Pay and Retirement Services (OPRS), ODCP and DCRB.

Purchase of Service Calculator:

In collaboration with our actuary, Bolton, we have finalized the testing of the internal Excel calculator and online tool. We anticipate that internal user acceptance testing will be concluded by January 30, 2023, for the tier change calculation.

Benefits Staffing:

New Hire:

Vanessa Hurt, Member Service Representative

Promotion:

Shaiaasia Walker – Member Services Team Lead (*formerly Member Services Representative*)

Contactors:

Alexis Martin – Member Services Representative

Mauricecia Jones – Member Services Representative

Tranene Cameron – Member Services Representative

Trustees moved to next item on the agenda.

LEGISLATIVE COMMITTEE REPORT

Committee Chair Blanchard reported that the Legislative Committee did not meet this month and reported on the following items:

HR 8404, “Respect for Marriage Act”

This federal legislation repeals the 1996 Defense of Marriage Act (DOMA) and codifies the U.S. Supreme Court’s 2015 holding in *Obergefell v. Hodges*, that legally protected same-sex marriages. The bill became federal law on December 13, 2022.

District Collective Bargaining Agreements

PR24-1036, “Compensation and Working Conditions Agreement between the District of Columbia Government and the Fraternal Order of Police/Metropolitan Police Department Labor Committee (Compensation Unit 3) Approval Resolution of 2022”

The proposed resolution was deemed approved on November 27, 2022.

PR 24-1079, “Compensation and Working Conditions Agreement between the District of Columbia Government and the International Association of Firefighters Local #36, AFL-CIO MWC Approval Resolution of 2022”.

This resolution will be deemed approved on December 19, 2022 unless approved or disapproved prior to December 19, 2022.

“Compensation and Working Conditions Agreement between the District of Columbia Public Schools and the Washington Teachers Union Local #6 of the American Federal of Teachers.”

The WTU and DCPS reached a tentative agreement for pay raises covering October 1, 2019 through September 30, 2023.

Trustees moved to next item on the agenda.

Chair Bress made the following motion to close the public session of the meeting at 2:17 p.m.

Motion #4: To enter closed session to discuss personnel matters pursuant to D.C. Code §§ 1-909.05(e) and 2-575(b)(10).

The motion was moved by Chair Bress and properly seconded by Trustee Harris.

The motion was approved (11-0). (See Tally #4)

Tally #4			Date: December 15, 2022		
Motion #4: To enter closed session to discuss personnel matters pursuant to D.C. Code §§ 1-909.05(e) and 2-575(b)(10).					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle M.	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Finelli, Christopher	√				
Grambo, Geoffrey P.	√				
Gregg, Danny C.	√				
Harris, Tracy S.	√				
Pemberton, Gregory J.	√				
Saunders, Nathan A.	√				
Weers, Adam	√				

Closed Session: From 2:17p.m. to 4:47 p.m.

Motion #5: To return to open session at 4:47 p.m.

The motion was moved by Chair Bress and properly seconded by Trustee Gregg.

The motion was approved (10-0). (See Tally #5)

Tally #5			Date: December 15, 2022		
Motion #5: To return to open session at 4:47 p.m.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle M.	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Finelli, Christopher	√				
Grambo, Geoffrey P.	√				
Gregg, Danny C.	√				
Harris, Tracy S.	√				

Pemberton, Gregory J.	√				
Saunders, Nathan A.	√				
Weers, Adam					√

There being no further business to come before the Board of Trustees, Chair Bress introduced a motion to adjourn the meeting.

Motion #6: To adjourn the meeting at 4:49 p.m.

The motion was moved by Chair Bress properly seconded by Trustee Harris.
The motion was approved (10-0). (See Tally #6)

Tally #6			Date: December 15, 2022		
Motion #6: To adjourn the meeting at 4:49 p.m.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle M.	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Finelli, Christopher	√				
Grambo, Geoffrey P.	√				
Gregg, Danny C.	√				
Harris, Tracy S.	√				
Pemberton, Gregory J.	√				
Saunders, Nathan A.	√				
Weers, Adam					√

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Chair's Report
January 19, 2023

TOPIC	UPDATE
In Person Board Attendance	As Spring comes, we should revisit meeting virtually and determine whether we should return to in-person meetings. For now, we will meet again virtually in February. Those who want to meet in the Board room are welcome to do so. Please let staff know.
Updates on Investments	We continue to move through an up and down economy. While inflation (including food and fuel) has been reduced to 6.1%, the predictions for the next six months to a year are still unpredictable. According to the Washington Post major banks split on the outlook for no, a shallow or a mild recession this year. There is also a difference of opinion whether any recession will occur this spring or later in the year. The Fed is forecasting another interest increase because the inflation rate is not coming down fast enough, but apparently not another 0.75% rate — maybe a 0.5 or even 0.25 % increase.
Audit Reporting and New Hires	Today we will hear that we have received a clean audit report for last year. Staff positions are being filled as we have looked forward to for the past year. New additions to staff will be introduced by JP and we look forward to their support and contributions to DCRB. We welcome these additions.
Robert Rules of Order	BEGA is conducting training on Robert Rules of Order for Trustees and Staff. Staff is working on scheduling a date and time, the trustees will be notified to provide their availability.

Other	<p>For your information</p> <ul style="list-style-type: none"> ➤ <u>Next Board Meeting:</u> The next meeting will be held on February 16, 2023. ➤ <u>Boardroom Telephone Numbers:</u> For virtual meetings: JP Balestrieri, Executive Director, DCRB at 202-343-3228 Johniece Harris, Board Liaison, DCRB at 202-343-3228 ➤ <u>Quorum:</u> To assure maximum participation at meetings, DCRB's Office Management Staff will contact Trustees prior to each meeting.
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	<p>As a reminder:</p> <ul style="list-style-type: none">➤ <u>Electronic Participation:</u> WebEx information is sent to all Trustees prior to all Board and Committee meetings. If you do not receive this information prior to the scheduled meeting, please contact Johniece Harris by email at Johniece.harris@dc.gov➤ <u>Member Complaints:</u> Trustees who receive questions or complaints from members on issues administered by DCRB should contact the Executive Director and the Department Chief, who is responsible for issue resolution.➤ <u>Remote Participation Voice Vote:</u> Since it is difficult to hear the votes of those participating remotely, I will specifically ask for a voice vote from Trustees attending a remote meeting.➤ <u>Use of DCRB-Provided Laptops</u> DCRB issued laptops provide access to your official government email account and the Board portal, Diligent. The laptop must only be used for official government purposes. Please do not use it for personal reasons, such as pictures, media, and apps.
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DISTRICT OF COLUMBIA RETIREMENT BOARD**NOTICE OF PUBLIC INTEREST****CERTIFICATION OF WINNER OF THE ELECTION TO SERVE AS
THE ACTIVE POLICE OFFICER MEMBER OF THE BOARD**

The District of Columbia Retirement Board (the “Board”) is required to conduct elections for its active member representatives to the Board. *See* D.C. Official Code § 1-711(b)(2) (2001). In accordance with the Board’s Rules for the Election of Members to the Board (“Election Rules”) under Chapter 15 of Title 7 of the District of Columbia Municipal Regulations (“DCMR”), the Board, through election manager YesElections, conducted an election for a representative of District of Columbia Active Police Officers to serve on the Board.

The election was uncontested with only one eligible candidate. YesElections submitted the Certification of the uncontested election winner to the Board on December 15, 2022. Pursuant to the Election Rules at 7 *DCMR* § 1522, the Board hereby certifies the results of the uncontested election winner to be Gregory Pemberton, an active District of Columbia police officer.

The election results will become final and cannot be appealed thirty (30) days after this publication of the Board’s certification.

The Election Rules and the Certification of Results can be accessed on the Board’s website:

<http://www.dcrb.dc.gov>

Please address any questions regarding this notice to:

Gianpiero (JP) Balestrieri, Executive Director
D.C. Retirement Board
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DISTRICT OF COLUMBIA RETIREMENT BOARD

SUMMARY

The District of Columbia Retirement Board (DCRB) Trustee Education and Related Travel Policy (Dec. 18, 2014), requires Board approval when the education/related travel is scheduled to occur within 60 calendar days of the expiration of a trustee's term. Trustee Harris is requesting to attend the Legislative Conference sponsored by the National Conference on Public Employee Retirement Systems (NCPERS) January 22 to 24, 2023, at the Renaissance Hotel, Washington, DC. Her term expires January 27, 2023.

MOTION:

To approve education and related travel expenses for Trustee Harris to attend the Legislative Conference sponsored by the National Conference on Public Employee Retirement Systems (NCPERS) on January 22 to 24, 2023, at the Renaissance Hotel, Washington, DC.

PRESENTED TO THE BOARD ON JANUARY 19, 2023.

Board Meeting-WEBEX ONLY - Chair's Comments

DISTRICT OF COLUMBIA RETIREMENT BOARD Trustee Conference Listing As of January 19, 2023					
Sponsor	Name of Conference	Date	Location	Cost	Description
National Conference on Public Employee Retirement Systems (NCPERS)	2023 Legislative Conference	January 22-24, 2023	Renaissance Washington, DC Hotel Washington, DC	Registration thru 01/05/22 \$515 After \$615	Day One of the conference offers a fast-paced program to brief you on the pressing issues for the upcoming year. You'll hear from lawmakers, their key staff, the Administration, and regulators about their plans for the months ahead. Members of the powerful House Ways & Means Committee, Senate Finance Committee, and speaker from the Treasury Department will be on the agenda. This is your total immersion in the issues, and it will give you the information and the motivation to speak effectively on behalf of public pensions. Day Two is Policy Day, where you can attend meetings on Capitol Hill and with federal agencies aimed at impacting public policy discussions that affect our members and our communities. We strongly encourage you to make your appointments with your elected leaders in advance of the conference as many Congressional offices do not take drop-in visitors. Many conference attendees schedule meetings with their own congressional delegations to build new relationships or strengthen existing ones.
Council of Institutional Investors (CII)	CII Spring 2023 Conference	March 6-8, 2023	Mandarin Oriental Hotel Washington, DC	Registration details forthcoming	CII hosts two exclusive conferences each year, welcoming more than 500+ member attendees and special guests. Our conferences offer unprecedented opportunities to interact, share best practices and learn from representatives from major institutional investors, regulators, legislators and other corporate governance professionals. These events bring together CII members from across the globe.
International Foundation of Employee Benefit Plans (IFEBP)	Trustees Institute Level II: Concepts in Practice	February 11-12, 2023	Disney's Yacht Club Orlando, FL	Registration thru 01/04/2023 \$1,650.00 After \$1,980.00	Strengthen your knowledge on required responsibilities as a multiemployer trustee by attending the New Trustees Institute—Level II: Concepts in Practice. Held immediately prior to the Trustees and Administrators Institutes, this conference will take the concepts and education provided in New Trustees—Level I: Core Concepts and go into more depth and applicability, expanding on need-to-know topics. Discover best practices, identify solutions and find answers to your questions by attending this exciting new program.
	New Trustees Institute Level I: Core Concepts	February 13-15, 2023	Disney's Yacht Club Orlando, FL	Registration thru 01/04/2023 \$1,650.00 After \$1,980.00	Challenges continue to get more complex for pension and health and welfare plans. Education is critical to make necessary decisions and fulfill your fiduciary duty. For trustees, that education starts with the New Trustees Institute—Level I: Core Concepts. This program is the bedrock of trustee education. It is time-tested, developed by trustees for trustees. As the first step in the trustee education path, The New Trustees Institute is designed for Taft-Hartley multiemployer plan trustees needing an understanding of their fiduciary responsibilities, best practices in fund management, legal requirements and other need-to-know information pertinent to serving as a trustee. This foundational curriculum will provide you with an understanding of your role, your responsibility as a fiduciary and an overview of the technical aspects of serving as a trustee on a health, retirement or other ERISA plan. Learn best practices, legal requirements and the current issues that the benefits industry faces.
	Advanced Trustees & Administrators Institute	February 13-15, 2023	Disney's Yacht Club Orlando, FL	Registration thru 01/04/2023 \$1,650.00 After \$1,980.00	For nearly five decades, this program has served as the cornerstone of education for multiemployer trustees and administrators. Sessions are designed to meet the needs of both trustees and administrators, whether they are fairly new to serving on a fund or have decades of experience. Attended by hundreds, this conference is large enough to offer choices of sessions yet small enough that you won't get lost in the crowd. Developed by active trustees, administrators and professional advisors, each session is designed to address current issues, providing the relevant context and information for you to make sound decisions for your fund. Keep informed of the latest industry trends, legal and regulatory changes, and best practices. Take away new ideas and a deeper understanding of how to run your pension and health and welfare funds.
	Investments Institute	April 24-25, 2022	Loews New Orleans Hotel New Orleans, LA	Registration thru 03/13/2023 \$1,650.00 After \$1,980.00	Concerned about reaching your investment's full return? The Investments Institute addresses opportunities in global market trends, identifies alternative investment options and uncovers key questions that will help enhance your fund's investments. Offering intermediate- to advanced-level education, the Investments Institute will arm you with the knowledge needed to make important decisions regarding financial longevity.

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EXECUTIVE DIRECTOR'S REPORT

January 19th, 2023

1. Staffing Update

a. New Hires: Team Additions

- Paul Gormley: Director of Internal Audit & Compliance
- Legal: Steve Serraino, General Counsel
- Legal: Emily Bowie, Senior Counsel
- Communications: Lauren Smith, Director of Communications & Public Relations
- Retirement Specialist (Offer Accepted and start date is January 23, 2023)

b. Current Vacancies to Fill

2. Summer 2023 Internship Program for Investments Department

- a. Positions for two student summer intern positions in the Investments Department with local colleges/universities students has been posted online.
- b. Human Resources will actively work with Eight (8) District universities' career placement programs on recruiting intern candidates.

3. Fiscal Year 2023 Fund Performance and Liquidity Update (As of 1/16/2023)

- a. Total Market Value of the Fund (as of 1/16/23) is at \$10.5 billion
- b. The Fund has recovered about \$1billion since 9/30/2022.
- c. Funded Status as of 10/1/22: 109.9%
- d. Firm Fund Liquidity
- e. Net Returns of the Fund

4. Benefits Administration Pension System (BAPS) Implementation Update

Resolving the accuracy and timely delivery of efficient data pre-retirement is an absolute requirement prior to DCRB expending significant amounts of capital on a viable integrated Benefits Administration Pension System (BAPS). We are in the process of engaging with the mayor's office and her team to task and address "data quality and the holistic active to retirement process" as an important time sensitive issue with the responsible stakeholder agencies including (DCHR, DCPS, OPRS, OCTO, MPD and FEMS).

- a. Timeline for Employer Agency Data Accuracy Review and Remediation
- b. Participants serviced by BAPS
- c. Projected Implementation Costs for BAPS
- d. Roles of DCRB, Treasury and the District Government

DISTRICT OF COLUMBIA RETIREMENT BOARD

ANNUAL OPEN PUBLIC MEETING SCHEDULE

As of January 3, 2023

The District of Columbia Retirement Board (DCRB) holds Open Board of Trustee meetings on the third Thursday of each month at 1:00 p.m., unless specified differently. The meetings will be held in the DCRB Board Room (2nd floor) at 900 7th Street, N.W., Washington, D.C 20001. The meeting place and time are subject to change without prior notice. Due to the Pandemic, meetings have been held virtually.

Please call one (1) business day prior to the meeting to ensure the meeting has not been cancelled or rescheduled. For additional information, please contact Johniece Harris, Board Liaison, at (202) 343-3200 or email Johniece.harris@dc.gov

2023 Annual Open Board Meeting Schedule

January 19, 2023

February 16, 2023

March 16, 2023

April 20, 2023

May 18, 2023

June 15, 2023

July 20, 2023

August – No Meeting

September 21, 2023

October 19, 2023

November 16, 2023

December 21, 2023

*May be rescheduled due to the District holiday.

Board Meeting-WEBEX ONLY - Executive Director's Report

DISTRICT OF COLUMBIA RETIREMENT BOARD Training & Travel Report (For the Period of December 15, 2022 thru January 19, 2023)					
Name	Description	Sponsor/Vendor	Location	Dates	
				From	To
Trustees					
No Trustee Travel					
Staff					
Jamia Canlas	Due Diligence	One Rock Due Diligence Meeting	New York, NY	12/14/22	12/14/22
Patrick Sahn	Due Diligence	"	New York, NY	12/14/22	12/14/22
Denice McSears	Certification	Diligent Administrative Certificate Program	Virtual Online	01/11/23	01/13/23

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TO: BOARD OF TRUSTEES

FROM: LEGAL DEPARTMENT

DATE: JANUARY 19, 2023

SUBJECT: LEGAL DEPARTMENT REPORT

Compliance

FOIA

The legal department, with the assistance of Rabi Carson, who is DCRB's HR/Legal Compliance Specialist, filed the attached *Annual Freedom of Information Act (FOIA) Report for Fiscal Year (FY) 2022* with the Mayor's Office. For FY22, twenty (20) FOIA requests were processed, up from sixteen (16) for FY21. The majority of the FOIA requests were for investment information.

Benefits Litigation Update

Gerry O. Scott v. DCRB (2021 CA 004206B)

Mr. Scott, a retired police officer, sued DCRB in D.C. Superior Court for not including his longevity pay in his retirement annuity calculation and for attorney fees. DCRB filed a Motion to Dismiss and Opposition to Plaintiff's Motion on the Pleadings. The next status hearing is scheduled for February 10, 2023.

Summary Plan Descriptions

The Legal Department has completed its legal review of the updated Summary Plan Descriptions (SPDs), which are now being reviewed by U.S. Treasury's legal counsel.

Agency Name

DC Retirement Board (DCRB)

Annual Freedom of Information Act Report for Fiscal Year 2022**October 1, 2021 through September 30, 2022****FOIA Officer Reporting** Leslie King, Senior Counsel**PROCESSING OF FOIA REQUESTS**

1. Number of FOIA requests received during reporting period 21
2. Number of FOIA requests pending on October 1, 2021 0
3. Number of FOIA requests pending on September 30, 2022 1
4. The average number of days unfilled requests have been pending before each public body as of September 30, 2022 125

DISPOSITION OF FOIA REQUESTS

5. Number of requests granted, in whole 14
6. Number of requests granted, in part, denied, in part 5
7. Number of requests denied, in whole 1
8. Number of requests withdrawn 1
9. Number of requests referred or forwarded to other public bodies 0
10. Other disposition 0

NUMBER OF REQUESTS THAT RELIED UPON EACH FOIA EXEMPTION

11. Exemption 1 - D.C. Official Code § 2-534(a)(1) 4
12. Exemption 2 - D.C. Official Code § 2-534(a)(2) 2
13. Exemption 3 - D.C. Official Code § 2-534(a)(3)
 - Subcategory (A) 0
 - Subcategory (B) 0
 - Subcategory (C) 0
 - Subcategory (D) 0
 - Subcategory (E) 0
 - Subcategory (F) 0
14. Exemption 4 - D.C. Official Code § 2-534(a)(4) 0
15. Exemption 5 - D.C. Official Code § 2-534(a)(5) 0

16. Exemption 6 - D.C. Official Code § 2-534(a)(6)	
Subcategory (A).....	0
Subcategory (B).....	1
17. Exemption 7 - D.C. Official Code § 2-534(a)(7).....	0
18. Exemption 8 - D.C. Official Code § 2-534(a)(8).....	0
19. Exemption 9 - D.C. Official Code § 2-534(a)(9).....	0
20. Exemption 10 - D.C. Official Code § 2-534(a)(10).....	0
21. Exemption 11 - D.C. Official Code § 2-534(a)(11).....	0
22. Exemption 12 - D.C. Official Code § 2-534(a)(12).....	0

TIME-FRAMES FOR PROCESSING FOIA REQUESTS

23. Number of FOIA requests processed within 15 days.....	6
24. Number of FOIA requests processed between 16 and 25 days.....	9
25. Number of FOIA requests processed in 26 days or more.....	5
26. Median number of days to process FOIA Requests.....	21

RESOURCES ALLOCATED TO PROCESSING FOIA REQUESTS
--

27. Number of staff hours devoted to processing FOIA requests.....	40
28. Total dollar amount expended by public body for processing FOIA requests.....	Unknown

FEES FOR PROCESSING FOIA REQUESTS
--

29. Total amount of fees collected by public body.....	\$0
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PROSECUTIONS PURSUANT TO SECTION 207(d) OF THE D.C. FOIA

30. Number of employees found guilty of a misdemeanor for arbitrarily or capriciously violating any provision of the District of Columbia Freedom of Information Act	0
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QUALITATIVE DESCRIPTION OR SUMMARY STATEMENT

Pursuant to section 208(a)(9) of the D.C. FOIA, provide in the space below or as an attachment, “[a] qualitative description or summary statement, and conclusions drawn from the data regarding compliance [with the provisions of the Act].”

The DC Retirement Board (DCRB) receives several FOIA requests focused on investment matters. In response to such public inquiries and to ensure full transparency, DCRB posts investment information on its website.

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TO: BOARD OF TRUSTEES

FROM: ADAM WEERS
INVESTMENT COMMITTEE CHAIR

DATE: JANUARY 19, 2023

SUBJECT: INVESTMENT COMMITTEE REPORT

The Investment Committee met on Thursday, January 19, 2023. The official actions taken at this meeting are presented below for ratification by the full Board.

1. To approve the **2023 Private Markets Commitment Budget** as proposed in Meketa's December 13, 2022, memo.
2. To approve a commitment of up to \$75 million to **Fund G**, pending legal review and final due diligence.
**The Fund name is redacted per D.C. Code § 1-909.05(e) pending completion of the transaction.*
3. To approve a commitment of up to \$50 million to **Fund H**, pending legal review and final due diligence.
**The Fund name is redacted per D.C. Code § 1-909.05(e) pending completion of the transaction.*

In addition, the Board closed on the following private market fund commitments since the last Investment Committee meeting:

1. \$75 million re-commitment to **BCP Fund III**, a U.S. infrastructure fund, closed on December 23, 2022.

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TO: BOARD OF TRUSTEES
FROM: NATHAN A. SAUNDERS, CHAIR
DATE: JANUARY 19, 2023
SUBJECT: OPERATIONS COMMITTEE REPORT

Chair Comments

The Operations Committee did not meet this month.

Next Operations Committee Meeting

The next Operations Committee meeting is being planned for next month (February). However, the meeting date has not yet been scheduled.

This concludes my committee report.

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TO: BOARD OF TRUSTEES
FROM: MARY COLLINS, CHAIR
DATE: JANUARY 19, 2023
SUBJECT: BENEFITS COMMITTEE REPORT

The Benefits Committee met this month on January 12, 2023 and the following items were presented:

- **Benefits Department 2022 Year in Review:** Statistics and information were presented about the calendar year 2022 progress in the areas of staffing, member services, special projects, retirement services, and communications.
- **2023 Goals and Projects:** Calendar year 2023 goals were presented and emphasized work with external stakeholders to improve member communications/outreach, data quality, and a review of the entire retirement process. Other member-focused items were discussed, such as, new communication tools, enhancing the DCRB website, and more presentations available to members. Finally, internal goals and projects were discussed as part of the presentation, such as, staff development, completion of a large volume of annuity recalculations due to new union contracts, and compliance related projects.
- **Refund of Employee Plan Contributions:** A quick presentation and discussion about the refund process, term-vested and deferred annuitants, and future plans occurred. Future projects include working with agencies to supply offboarding materials regarding refunds and deferred retirement, and the development of a project plan to address past terminated vested members.

The full meeting presentations can be found in your Diligent books under the Benefits Committee section.

There were no action items presented in this meeting.

The next Benefit Committee meeting will be determined by the new Benefits Committee Chair.

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TO: BOARD OF TRUSTEES
FROM: TRACY S. HARRIS, CHAIR
DATE: JANUARY 19, 2023
SUBJECT: AUDIT COMMITTEE REPORT

The Audit Committee met on January 17, 2023 and the following items were presented:

- Audit Presentation:
 - o The auditors from Watson Rice presented their final communication to the committee:
 - The FY22 financial statements were issued with an unmodified opinion
 - The FY22 Compliance Report under Government Audit Standards was issued with an unmodified report and no internal controls matters (findings) were identified during the FY22 audit
 - There is an action item related to this presentation for the Board to approve – motion attached
- The budget vs actual report as of December 31, 2022:
 - o 83% of the original budget is available.

The next Audit Committee meeting will be scheduled for February 14, 2023.

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DISTRICT OF COLUMBIA RETIREMENT BOARD

MOTION:

TO ACCEPT THE FINDINGS OF THE FINAL AUDIT FOR THE FISCAL YEAR 2022
SUBMITTED TO DCRB'S AUDIT COMMITTEE ON JANUARY 17TH, 2023 AS
PRESENTED BY WATSON RICE.

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TO: BOARD OF TRUSTEES

FROM: LYLE BLANCHARD, CHAIR

DATE: JANUARY 19, 2023

SUBJECT: LEGISLATIVE COMMITTEE REPORT

The following report reflects activities of interest since the December 15, 2022, Board Meeting:

U.S. CONGRESS

LEGISLATION

Pub. L. 117-328, “Secure 2.0 Act of 2022” (Section T of the “Consolidated Appropriations Act of 2023,” effective December 29, 2022)

This Federal Law makes the following changes related to defined benefit plans:

Required Minimum Distributions. Previously, terminated vested participants had to begin receiving pension distributions no later than April 1st following the calendar year in which they reach age 72. The law increases the required beginning age from 72 to 73, starting on January 1, 2023, and to age 75 for participants who reach age 74 after December 31, 2032.

Excise Tax Reduction. Participants who failed to timely begin receiving required minimum distributions had to pay an excise tax equal to 50% of the payment. The law reduces the excise tax from 50% to 25%.

Benefit Overpayments. Pension plans are required to recoup benefit overpayments from annuitants or other third parties. The law eases recoupment principles so that a plan’s failure to recover benefit overpayments will not jeopardize a plan’s tax-qualification status.

Exemption from 10% early withdrawal penalty. Separated public safety workers who receive refunds are not subject to the 10% early withdrawal penalty if they are at least age 50. The law extends the exception to separated public safety workers who also have at least 25 years of service.

Paper Benefit Statements. Benefit statements must be provided in paper once every 3 years, unless a participant elects otherwise.

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DISTRICT OF COLUMBIA RETIREMENT BOARD

MOTION:

MOTION: PURSUANT TO DC CODE §2-575(B)(4)(A)), TO CLOSE THE BOARD MEETING TO CONSULT WITH AN ATTORNEY FOR LEGAL ADVICE AND PRESERVE THE ATTORNEY-CLIENT PRIVILEGE.

PRESENTED TO THE BOARD ON JANUARY 19, 2023.